

Report to Council



Date: November 14, 2022
To: Council
From: City Manager
Subject: Sponsorship of the 2023 Accelerate Okanagan OKGN Angel Summit
Department: Partnership Office

Recommendation:

THAT Council receives for information the report from the Partnership Office dated November 14, 2022 regarding sponsorship of the 2023 Accelerate Okanagan OKGN Angel Summit;

AND THAT Council approves a financial contribution of \$4,000 from Council Contingency in support of the 2023 Accelerate Okanagan OKGN Angel Summit.

Purpose:

Approval of a \$4,000 sponsorship for the 2023 Accelerate Okanagan OKGN Angel Summit

Background:

Previous Council Resolution

Resolution	Date
THAT Council receives for information the report from the Partnership Office dated September 19, 2022 regarding a proposed Talent and Compensation Study to be commissioned by Accelerate Okanagan; AND THAT Council approves a financial contribution of \$5,000 from Council contingency in support of the Talent and Compensation Study to be commissioned by Accelerate Okanagan.	September 19, 2022

March 16, 2023 marks the fifth year for the OKGN Angel Summit which brings together early-stage technology start-ups looking for growth capital, and accredited investors interested in early-stage investment opportunities and building the capital ecosystem.

The City of Kelowna has, for the last four years, provided sponsorship support of \$4,000 per year for the Summit. Accelerate Okanagan has requested a renewal of that support for the 2023 Summit.

The City has had a range of involvements with Accelerate Okanagan and the Kelowna Innovation Centre over several years, including City representation on the Accelerate Okanagan Board of Directors.

Discussion:

The Summit is the culmination of a 10-week investor-led program involving both investors and start-ups.

The program includes:

- The establishment of a small venture capital fund by 30+ participating investors;
- Investors have structured in-person and virtual screening meetings with 40+ start-ups from across Western Canada including company reviews, founder pitches and due diligence;
- Participating companies learn about the capital-raising process and how to effectively build relationships with prospective investors;
- The program culminates in a public event where the final six companies make their pitch. The winner will be awarded a minimum \$150,000 investment from the new fund developed by the participating investors.

Pre-training for companies and investors starts in early November 2022. After investors pre-select the top 24 companies, the companies then participate in pitch training and delivering a round of pitches leading to a selection of six finalists in February 2023 and the finale event on March 16, 2023.

Since its inception in 2019, the Summit has:

- trained 74 angel investors (22% of whom are women)
- supported/trained 168 companies
- established four investment funds which distributed \$580,000 in direct investment which in turn leveraged \$22.6 million in indirect investment.

As a sponsor at the \$4,000 level, the City of Kelowna will have the following benefits:

- brand recognition before, during and after the finale
- networking opportunities with investors, entrepreneurs and community members at the finale
- complimentary tickets to the finale
- opportunity to provide a prize to the ultimate Summit winner
- access to private quarter- and semi-final pitch events
- in person networking opportunities with high-net-worth individuals throughout the Summit program

Partnership Office Director Bob Evans will be available to represent the City at Summit events so that the City achieves as much benefit as possible from its financial support.

Conclusion:

Accelerate Okanagan has been a key driver in the growth of the technology sector in the region by supporting technology entrepreneurs through a range of programs and services. The OKGN Angel Summit is a signature initiative which builds investor and corporate capacity and access to capital, all of which contribute to the Okanagan's growing capital ecosystem. The City's \$4,000 investment in the Summit reflects the City's ongoing interest and engagement in economic development and the success of the local technology sector.

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Considerations applicable to this report:

Existing Policy: Council Policy 058 Grant-in-Aid Funding Requests provides for Council consideration of requests for a sponsorship contribution for conferences and events which meet the stated criteria.

Financial/Budgetary Considerations: There are sufficient funds in the Council contingency budget to support the request from Accelerate Okanagan.

The total budget for the Summit is approximately \$177,000.

Other participating supporters identified to date are Lawson Lundell LLP, MNP, MAVAN Capital Partners, Valhalla Private Capital, BDC, the Kelowna Innovation Centre, Red Barn Winery and the COEDC.

Considerations not applicable to this report:

Legal/Statutory Authority
Legal/Statutory Procedural Requirements
External Agency/Public Comments
Communications Comments

Submitted by: S. Kochan, Partnership Manager

Approved for inclusion: Bob Evans, Partnership Office Director

cc:
C. Low, Financial Analyst